Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the matter of:

Lifeline and Link Up Reform and   )   WC Docket No. 11-42
Modernization   )

Comments of One Economy Corporation

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A National Database for Use with Lifeline and Broadband Adoption Services

Since the release of the National Broadband Plan over a year ago, there has been growing support for the Federal Communications Commission's (FCC's) recommendation to modernize the Universal Service Fund (USF) to better reflect the evolving needs and challenges of our digitally-enabled environment. The FCC has issued several Notices of Proposed Rulemaking (NPRM) to address the challenges of each of the four programs funded by Universal Service, the most recent NPRM focusing on Lifeline and Link-Up, commonly known as the Low Income program. One Economy considers the modernization of the Low-Income program to be one of, if not, the most important policy lever available to the FCC in reducing the digital divide and paving the path for gains in national purposes around education, health, and job attainment. We are in full-throated support for calls to modernize the fund, and we are also adamant in urging the slow wheels of government to speed their rotation when it comes to dealing with this vital issue.   If we do this right, we can present a "North Star" to our country on how to move forward in a digital age and create a shift toward broadband, mobile broadband, and advanced services for all Americans.

Approximately 100 million people in the United States are without broadband at home, and the broadband adoption rate is 35% for families with household income below $25,000, contributing greatly to our country's poor 65% home broadband adoption rate[1]. The rate of African-Americans and Hispanics with broadband at home significantly trails that rate, making this also a civil rights issue, and furthering the educational and employment divide as the 21st century classroom moves outside of the school walls and the 21st century job requires 24/7 attention. In addition to these groups, elderly populations and Americans with disabilities are particularly hard hit, with broadband adoption rates well below 50%, reducing an elderly person's capacity to age in place and slowing the growth of features that would support

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[1] Karaganis, Joe. *Broadband Adoption in Low-Income Communities*. Social Science Research Council. March 4, 2010.

Americans with disabilities. [2]

Today, One Economy would like to discuss our support for the Federal State Joint Board's recommendation of a national database to support the Low-Income program, taking the recommendation a step further by enabling the database to support other broadband adoption activities in addition to the Low-Income fund. We will bring up specific instances of how the lack of the national database has affected our work and also make make some recommendations as to how the database should be structured.

As the Low Income program is currently structured, Eligible Telecommunications Carriers (ETCs) are responsible for marketing to and verifying eligibility for persons who qualfy. Currently, households qualify if they are at 135% of the federal poverty line or participate in Medicaid, Food Stamps, Supplement Security Income (SSI), Federal Public Housing Assistance (Section 8), Low-Income Home Energy Assistance Program (LIHEAP), Temporary Assistance to Needy Families (TANF), or the National School Lunch Program's (NSLP's) Free Lunch Program.[3] One Economy has had specific experience working on large-scale broadband adoption programs and knows first-hand what a huge impediment the current lack of a centralized database is on broadband adoption.

We faced the hurdle as leaders of the Digital Adoption Coalition, a group assembled by the FCC that included AT&T, Comcast, Time Warner, Microsoft, Dell, and many others to address the broadband adoption problem in low-income communities by applying for a Broadband Technology Opportunity Program (BTOP) grant. The absence of an accessible, centralized database was the primary reason that we had to abandon efforts to provide discounted broadband, discounted computers, and digital literacy training to students who qualified for the

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[2] Horrigan, John B. *Broadband Adoption and Use in America*. Federal Communications Commission. February 2010.

[3] *FCC Guidelines for Lifeline and Link-Up*. http://www.fcc.gov/guides/lifeline-and-link-affordable-telephone-service-income-eligible-consumers

NSLP's Free Lunch Program and to seniors eligible for the SSI program. We eventually chose Housing and Urban Development's (HUD's) Federal Public Housing Assistance program only because senior officials at HUD thought our program was so necessary for their residents that they agreed to modernize their database structure and allow "blind" access to the Digital Adoption Coalition to provide these services. As we did not receive this grant, this vital modernization and access provision at HUD never occurred.

We are currently dealing with a similar situation with a large-scale broadband adoption initiative directly targeting NSLP's Free Lunch Program. As a condition to their merger with NBC, Comcast voluntarily offered broadband adoption services similar to those provided by the Digital Adoption Coaltion, should a family have a student in the Free Lunch Program, and the FCC has required Comcast to offer this program to the approximately 7 million students across Comcast's footprint who would qualify. If these families adopted broadband in the home, our nation could make a significant dent in the broadband adoption gap and create a pathway toward our national purposes in education. However, due to the lack of an accessible database, awareness efforts will be in large part dependent on the many schools within the Comcast footprint for outreach while the burden of proving eligibility will be shifted to the family. This time-consuming, costly endeavor will inevitably result in a greatly reduced take rate for the program.

This leads us to our recommendations …

To effectively reach these households and stimulate broadband adoption, information needs to be readily available in a central location—with the option of the participant being able to opt-out of having certain information released if they so choose. However, in order to be eligible for the Low-Income program, an individual would have to allow for a minimum level of basic identifiable information (such as name and address) along with the program that makes that individual eligible for inclusion.

All of the mechanisms that define eligibility for the Low Income program should be included in

this database, though we should immediately begin to provide access, one by one, to each of the mechanisms as they become available. As HUD has already signalled their intent, the applicable data should be made acessible in the national database as soon as possible. We could see similar momentum with the NSLP program, and it is an imperative that we provide our children with digital opportunity as soon as is possible.   Agencies that offer the other eligible programs, from Medicaid to Food Stamps, should be encouraged to participate imminently. We realize that privacy protections and other legal barriers currently exist, but they should be mollified through a firewall established between this data and ETCs or broadband adoption providers. At any case, they should be addressed immediately so as to speed the process.

As hinted above, this database should be accessible, through a firewall or third party, not only to service providers but also to organizations committed to stimulating broadband adoption among low income populations. To exclude non-ETCs from this information would greatly diminish the reach and impact of our efforts to accelerate broadband adoption and our nation's standing among developed nations. Nonprofits, local organizations, and public private partnerships that have been working towards the advancement of broadband adoption have insight into the communities of need and an aligned motivation to help the program be successful and efficient. Additionally and importantly, as the Low Income program is limited in budget, allowing public and private entities to leverage this database to provide broadband adoption will enable scarce resources to be utilized most wisely.

The presence of a firewall and/or third-party will be vital in protecting the privacy of those individuals in the database and of avoiding unnecessary legal difficulty. Whether the group directly accessing the database is the Universal Service Adminisitrative Company (USAC), the FCC, or another independent body, only that group should be able to access individual records for outreach and verification.

All ETCs or verified broadband adoption providers accessing the database through this third party should be mandated to provide awareness to all eligible persons within the geographic scope of their program. Verification should also be streamlined, with a dedicated, simplified,

and centralized eligibility check being provided through the firewall and/or third party, with response around eligibility being given to the provider very shortly after the request has been made. ETCs or verified broadband adoption providers should never have to or be allowed to "touch" the database.

The database would also address instances of fraud and abuse that plague the current system. Because there is at present no central and reliable resource for providers to confirm an applicant's eligibility, as well as whether or not they are already receiving support from another provider, a subscriber may end up gaming the system. A national database that included all households that qualify for support as well as their continuing eligibility would eliminate such costly abuses and ensure that funds are being directed where they are needed most. Furthermore, because the database will reflect the ongoing eligibility of low-income participants, should a household's circumstances improve so that they no longer require the services of the Low Income program, the appropriate parties will be notified so that support can be redirected to those most in need.

We would also like to suggest that standardizing eligibility for program participation would further stimulate the effectiveness of a central database and of the program itself. While there are federal suggested requirements for eligibility in the Low Income program, many states have the additional option of defining their own requirements. This results in confusion among potential consumers and service providers along with unfairness and program discrepancies. For example, states might set income levels required for assistance above the federal minimum. Or ETCs and broadband adoption providers, who provide on national levels, may face difficulties in state-by-state outreach and programmatic comprehension. To eliminate these occurrences and best address the digital adoption gap, we should establish uniform eligibility criteria.

In conclusion, 2010 was the year that the FCC released the National Broadband Plan (NBP), turning our attention to the key pivots our nation needs to take in raising our status among developed nations, addressing those most in need, and fulfiliing the digital promise that our nation – the nation that invented the Internet and that has created the bulk of digital

innovations – must succeed in delivering. Following the release of the NBP, we witnessed an outpouring of valuable insight and ideas that have helped spread awareness and rally the voices around the necessary solutions. It was a productive and meaningful year. However, simply continuing the debate and dialogue will not get us where we need to be.

2011 must be the year of action, the year that we operationalize NBP, not just another year of debate and posturing. An effective and just Low Income program, and the broadband adoption programs that it can stimulate, could be a major contributor in transforming the landscape of connectivity among low income populations. For this program to modernize, and for our attention to turn from yesterday's telephony to today's digital needs, we must immediately modernize our database efforts and implement the recommendations of the Federal-State Joint Board, One Economy, and of other key contributors to this endeavor.

One Economy applauds the Chairman and Commission's efforts in modernizing the Low Income program to address broadband and for modernizing our database efforts. We thank the Commission for allowing us to appear today.